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DEMOGRAPHICS AND ECONOMIC FUTURE

Salt Lake Valley is the major population and employment center in the state. In addition to Salt Lake City, with a 1990 population of 159,936, Salt Lake County is home to three of the 10 largest cities in Utah. The population density for Salt Lake County has grown from 900 people per square mile in 1990 to 995 people per square mile in 1995. Much of the county's rugged terrain, however, cannot be developed. Consequently it may be more appropriate to consider the population density of Salt Lake Valley (lands at or below elevation 5200) which is currently approaching 2,000 people per square mile.

4.1 Introduction

The economy of the Salt Lake Valley is characterized by a commercial and industrial urban core in Salt Lake City with suburban communities expanding north, south and west. The Wasatch Mountains to the east provide part of the water supply and land for prestige residential and commercial developments in the foothills. Some limited agricultural production is still evident, mainly in the southwest part of the valley. A revived real estate market, however, is rapidly displacing all but the most tenacious farmers, and reducing the land base available to those that remain.

Population of Salt Lake County is expected to increase throughout the projection period, 1995-2020. The rate of growth is expected to average 1.96 percent annually, but should range between 2.8 percent and 0.5 percent throughout the period.

During the 1980s, services overtook trade to become the industry providing the most employment in Salt Lake County. The unemployment rate was 4.5 percent in 1995 compared to the state average rate of 4.9 percent.

As the basin's economy grows, planning at all levels of government will depend on reliable and consistent data on the demand for water. This section presents data to help local leaders anticipate the need for timely water resources development. Combining these data with the latest technology for delivering, using and conserving available water should result in coordinated planning and manageable economic growth.

4.2 Demographics

Salt Lake County's population is expected to grow by 1.96 percent average annual rate of change. This is slightly below the expected growth of the state which is 1.99 percent. Several communities within the county are expected to grow at a faster rate, at least in the short term. The population projections shown in Table 4-1 and Figure 4-1 are for cities and unincorporated areas in Salt Lake County. Taylorsville has recently become a city. Population estimates and projections for the new city are not available at this time.

The four largest cities in Salt Lake County, Salt Lake City, West Valley City, Sandy and West Jordan, are home to 408,162 people or 21 percent of the state's population (1994 census). Salt Lake City lost population during the 1970-1990 era, but it is expected to show steady growth in the future. The areas of Sandy, West Jordan and West Valley have seen tremendous growth in recent years. Kearns, West Valley and Taylorsville are close to being fully developed. Future population growth will likely concentrate in South Jordan, Draper and Riverton. Additional growth will occur in West Jordan, Sandy, Bluffdale and other communities as remaining open areas fill in. County population is expected to reach 1,301,094 by the year 2020.

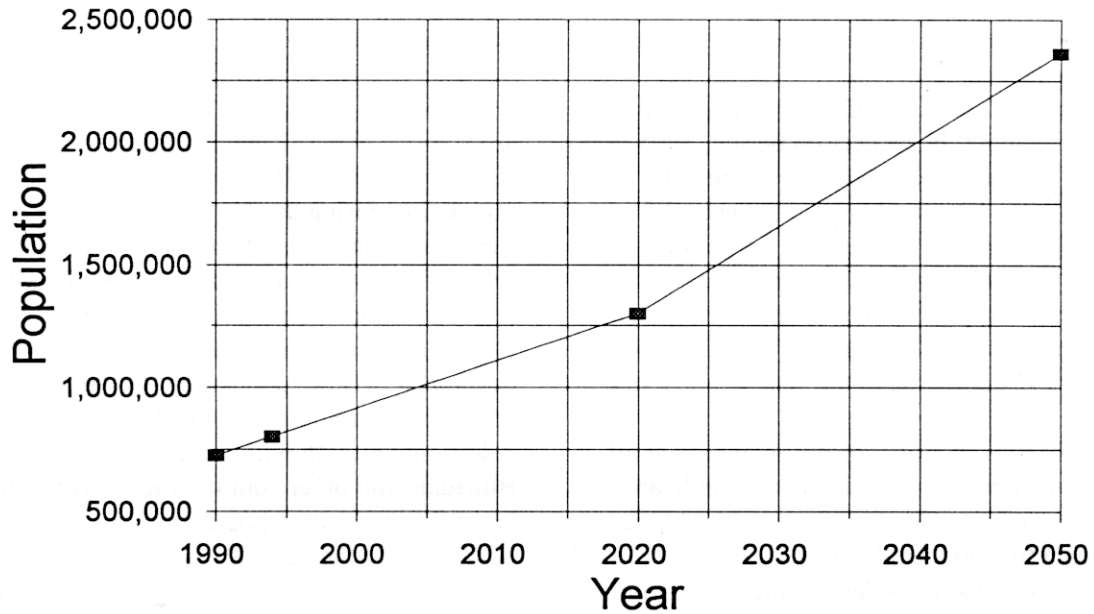
An important component of future population growth is in-migration. Net in-migration (total in-migration less total out-migration) in 1995 was estimated to be 4,800 persons in Salt Lake County,

| Table 4-1 POPULATION PROJECTIONS Salt Lake County | | | |
|---|---------|---------|-----------|
| Cities | 1990 | 1994 | 2020 |
| Alta | 397 | 396 | 397 |
| Bluffdale | 2,152 | 2,989 | 18,549 |
| Draper | 7,143 | 8,611 | 52,900 |
| Midvale | 11,886 | 12,083 | 24,811 |
| Murray | 31,274 | 33,361 | 53,206 |
| Riverton | 11,261 | 14,404 | 54,153 |
| Salt Lake City | 159,928 | 171,849 | 175,133 |
| Sandy | 75,240 | 90,959 | 135,916 |
| South Jordan | 12,215 | 16,911 | 96,879 |
| South Salt Lake | 10,129 | 11,196 | 16,124 |
| West Jordan | 42,915 | 50,691 | 107,885 |
| West Valley City | 86,969 | 94,663 | 144,298 |
| Unincorporated ^a | 274,447 | 293,493 | 420,843 |
| County | 725,956 | 801,606 | 1,301,094 |

Source: Demographic and Economic Analysis, Governor's Office of Planning and Budget, August 1995

a: Includes recently incorporated Taylorsville City

Figure 4-1
Salt Lake County Population Projection

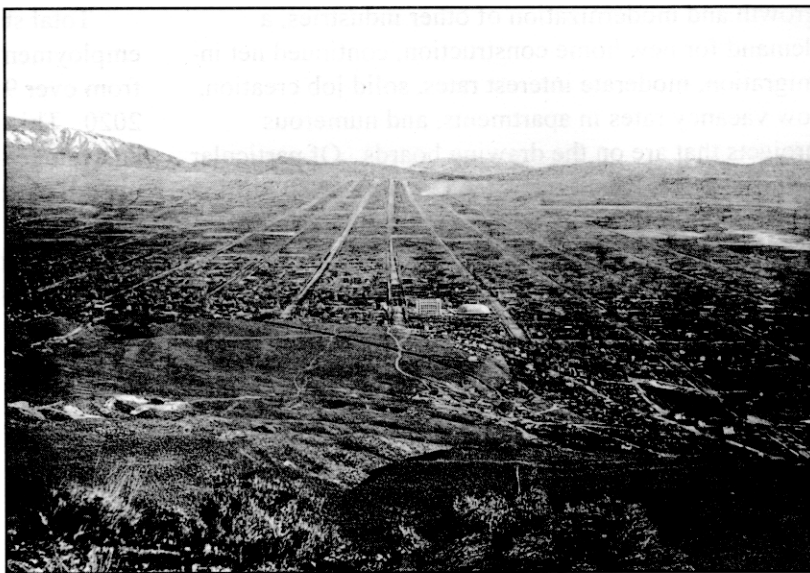


the highest of any county in the state. Reasons for Salt Lake County's net immigration include healthy job growth relative to other nearby states and a cost of living that in recent years has been below the national average.

The Wasatch Front Regional Council prepares city-level projections for Salt Lake, Weber, Davis, Morgan and Tooele counties with extensive review and comment from local communities. These projections are controlled to county level projections prepared by the Governor's Office of Planning and Budget and voted on by the regional council's board of directors. Once approved, they are then used to meet transportation planning requirements of the metropolitan planning organization. Projections are only to the year 2020 because that is the long-term horizon from which transportation decisions are made and modeled. These city-level projections, coupled with the Governor's Office of Planning and Budget county-level projections, provide consistent, systematically reviewed data for infrastructure planning along the Wasatch Front.

Population projections from the Utah Process Economic Demographic (UPED) model are desegregated down to traffic zones within cities and unincorporated communities in Salt Lake County by the Wasatch Front Regional Council. Peer review involving local community representatives was used to even out the results of the mathematical process. Table 4-1 lists the federal census population counts of Salt Lake County's incorporated cities and unincorporated areas for 1990, and the OPB's population estimate for 1994 and projection figures for 2020.

Additional extrapolations were made by the Governor's Office of Planning and Budget to help estimate long-range municipal and industrial water demands. Assuming a constant annual growth rate beyond the year 2020 of about 2.0 percent, the



Salt Lake Valley from Ensign Peak, circa 1890 (top) and in 1997.

population of Salt Lake County could increase to over 2.36 million by the year 2050.

4.3 Employment

Trade employment is projected to concentrate in Salt Lake City and the current growth areas of West Valley City, West Jordan and Sandy. Service job growth is expected to continue in these areas and to spread into future growth areas such as South Jordan, Riverton and Draper. Industrial employment is projected in West Valley City, West Jordan, western Salt Lake City and Salt Lake County.

The construction industry has recently registered the biggest gains. These gains have been fueled by

growth and modernization of other industries, a demand for new home construction, continued net immigration, moderate interest rates, solid job creation, low vacancy rates in apartments, and numerous projects that are on the drawing boards. Of particular significance is Kennecott Utah Copper's \$880 million smelter and refinery expansion. Manufacturing is expected to trail government as a source of employment during the projection period while finance, insurance and real estate (FIRE) are expected to provide additional jobs at a steady pace.

Employment in transportation, communication and public utilities (TCPU) will more than double during the projection period. Irrigated acres and total agricultural acres are declining dramatically in the Salt Lake Valley (see Section 10). The projection for agricultural employment also decreases over the next 25 years. Table 4-2 shows present and projected employment in the nine major sectors. Figure 4-2 shows the expected growth and relationships between the six sectors that provide the most jobs

Total state employment (including self-employment and agriculture) is projected to increase from over 951,331 jobs in 1995 to 1,569,842 jobs by 2020. This increase of over 618,511 jobs represents an average annual growth rate of 2.31 percent. The overall pattern is a significant movement away from dependence on the state's traditional goods-producing economic base and toward service-producing industries as driving sectors in the Utah economy. ■

4.4 Economic Future

In Salt Lake County and cities along the Wasatch Front, population growth is projected to slow down in the upcoming years before resuming at a strong rate after the year 2000. A small baby boom occurred during the late 1970s, and many of these children crowded the junior high and high schools. Despite strong job growth, the Wasatch Front is expected to experience net out-migration when these people enter the labor market. In-migration is expected to resume after the year 2000.

Table 4-2
EMPLOYMENT PROJECTIONS
Salt Lake County

| Industry | 1990 | 1995 | 2000 | 2010 | 2020 |
|-----------------------------------|----------------|----------------|----------------|----------------|----------------|
| Agriculture ^a | 1,092 | 1,084 | 1,109 | 1,049 | 966 |
| Mining | 2,754 | 2,967 | 3,101 | 3,020 | 3,113 |
| Construction | 14,885 | 26,498 | 30,687 | 33,714 | 40,045 |
| Manufacturing | 50,580 | 55,258 | 61,603 | 67,362 | 75,017 |
| TCPU ^b | 28,293 | 35,544 | 41,411 | 52,135 | 61,889 |
| Trade | 93,170 | 115,914 | 132,985 | 165,089 | 193,497 |
| FIRE ^c | 24,530 | 34,021 | 39,081 | 48,209 | 56,812 |
| Services ^d | 97,745 | 126,785 | 154,127 | 207,449 | 255,717 |
| Government | 58,878 | 69,332 | 74,547 | 93,479 | 107,547 |
| Non-farm Proprietors ^e | 65,140 | 75,053 | 86,463 | 111,796 | 133,064 |
| TOTAL EMPLOYMENT | 437,064 | 542,456 | 625,120 | 783,303 | 927,667 |
| Non-Ag W & S Emp ^a | 368,705 | 463,998 | 535,286 | 668,207 | 791,373 |

Source: State of Utah Economics & Demographics 1994

a: Includes agricultural-related services such as lawn care

b: Transportation, communications and public utilities

c: Finance, insurance and real estate

d: Includes private household employment; excludes agriculture service employment

e: Utah Department of Employment Security's definition

